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C O N F I D E N T I A L KATHMANDU 002909

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TAGS: [PGOV](#) [PTER](#) [MARR](#) [NP](#)
SUBJECT: PRIME MINISTER'S CLOSE ADVISOR AND HOME MINISTER
FAVOR PHASED ARMS MANAGEMENT

Classified By: Ambassador James F Moriarty. Reasons 1.4 (b/d)

Summary

¶1. (C) Over the recent Nepali holidays, Embassy LES discussed the arms management process with the Prime Minister's nephew and close advisor, Dr. Shekhar Koirala, as well as Home Minister Sitaula, the Government of Nepal's chief peace negotiator. Both argued for a phased strategy, highlighting the need to understand the reasons the Maoists took up arms as a baseline for designing a sustainable program. Both felt that the strong U.S. position on arms management had been helpful to the peace process, pressuring the Maoists to participate responsibly in negotiations.

Shekhar Koirala on Phased Arms Management Process

¶2. (C) At a recent holiday reception, Dr. Shekhar Koirala, the Prime Minister's nephew and close advisor, told Political-Economic section LES that the Government of Nepal had limited leverage to force immediate disarmament of the Maoists. Dr. Koirala argued for a phased strategy, recognizing that Maoist behavior could not be changed overnight. The Maoist leadership would, he said, encounter internal management challenges in imposing disarmament on their rank-and-file. He felt the most practical solution was cantonment of combatants to barracks first, followed by separation from weapons and finally full disarmament.

One-Size-Fits-All Reintegration Won't Work

¶3. (SBU) Dr. Koirala also referred to the importance of understanding the particular incentives at each level of the Maoist structure--identifying the needs of Maoist leadership and mid-level commanders, as well as rank-and-file. He focused on Maoist integration into GON security forces as an imminent challenge, particularly at the level of Maoist commanders, who would not be satisfied with entering the army as new recruits. Koirala also spoke of the need to address Maoist militias, which have been neglected thus far in arms management planning.

PLA in Remote Cantonments

¶4. (C) Home Minister and Chief Government Peace Negotiator Sitaula also described a phased strategy. He said the first step that the Maoists had proposed was to place PLA combatants in seven cantonment sites high in the hills in rural areas around Nepal. Their rationale for remote sites was to build confidence that the PLA would not threaten or strike Kathmandu. Once the PLA were in barracks, they would be separated from their arms. Only at this stage would the Maoists be eligible to join an interim government.

Sitaula Explains Maoist Extortion

¶5. (C) Sitaula also mentioned the need to understand the Maoist incentive structure. He underscored the rationality of Maoist extortion practices in the face of the need to feed thousands of Maoist rank-and-file. He asked the political economic LES to imagine if a group of Nepal Army soldiers were sent out to a village without resources; he said the army would take part in the same type of extortion activities in order to sustain themselves. Sitaula said it should be noted that, while Maoist extortion had increased, there has been a decrease in Maoist violence.

Shekhar Koirala and Sitaula Praise U.S. Role on Arms Management

¶6. (C) Both Dr. Koirala and Sitaula, when asked by LES if the strong U.S. position on arms management had helped or hindered the peace process, responded positively. They said that U.S. statements had put pressure on the parties to make

arms management a central focus of the negotiation process. However, Koirala said the Maoists felt they were treated as "untouchables" by the U.S., as opposed to legitimate parties to the negotiation process. Dr. Koirala stated that, if the Maoists were to comply with settlement provisions and "change their ways," it would be beneficial to the U.S. to engage them. Otherwise, the U.S. would lose its ability to continue to positively influence the peace process.

Comment

¶7. (C) As Dr. Koirala and Minister Sitaula observed, current negotiations suggest that there will be a phased approach to Maoist arms management. These conversations are slightly dated and events are moving quickly here. Still, the two raised important issues about the need to begin exploring longer-term incentives that will motivate the Maoists to give up arms and end extortion. While we sharply differ with Sitaula's assessment of the security situation, we agree that the specifics of a peace deal and its implementation are equally vital.

MORIARTY